

**SPECIFICATION:**

Please amend paragraphs 40 and 47-49 as follows:

[0040] As clearly shown in Fig. 2, the rotary shaft assembly 18 comprises a proximal rotary shaft 22 rotatably supported by the body 14 to be rotatable about the axis of the rotary shaft assembly and provided with the spur gear 17e, an intermediate rotary shaft 24 telescopically connected to the proximal rotary shaft 22, a distal rotary shaft 26 telescopically connected to the intermediate rotary shaft 24, and a holding cylinder 28 for rotatably holding the distal rotary shaft 26 therein and movable along the axis of the rotary shaft assembly together with the distal rotary shaft 26. The proximal rotary shaft 22 has a plurality of splines formed on the outer surface thereof and extending along the axis of the proximal rotary shaft. The intermediate rotary shaft 24 is cylindrical and has a plurality of splines on the inner surface thereof which slidingly mate with the splines of the proximal rotary shaft. The intermediate rotary shaft 24 is axially movable relative to the proximal rotary shaft 22 between an extended position (shown in Fig. 2) and a retracted position (shown in Fig. 1). The distal rotary shaft 26 is cylindrical and has a plurality of splines on the inner surface thereof which slidably mate with a plurality of splines formed on the outer surface of the intermediate rotary shaft 24. The distal rotary ~~shat~~shaft is axially movable relative to the intermediate rotary shaft between an extended position (shown in Fig. 2) and a retracted position (shown in Fig. 1). The holding cylinder 28 is supported by a guide cylinder 29 securely connected to the body 14 in such a manner that the holding cylinder 28 is prevented from being rotated about the axis thereof but is permitted to move along the axis. In Figs. 1 and 2, reference numeral 30 donates needle bearings positioned between the distal rotary shaft 26 and the holding cylinder 28, and reference numerals 26a, 26b ~~denate~~denotes rocking balls for locking the cutting tool ~~t~~ to the distal rotary shaft 26 and a sleeve for operating the locking ball 26a, respectively.

[0047] A distinguishable feature of the drill is that a rotary shaft assembly 18 comprises a proximal rotary shaft 22 and a distal rotary shaft 26 which is in a

telescopic-spline-connection relationship with the proximal rotary shaft 22, without interposing any intermediate rotary shaft between the proximal and distal rotary shafts 22 and 26. Further, a spur gear 17d of a gear train drivingly connecting an output shaft 12a of a motor 12 and the proximal rotary gear-shaft 22 has a longer axial length and the rotary shaft assembly 18 is movable as a whole along the axis thereof relative to a body 14 so that a spur gear 17e fixed to the proximal rotary shaft 22 and engaged with the spur gear 17g-17d can be kept in engagement with the spur gear 17g-17d as the rotary shaft assembly is moved relative to the body. Therefore, during an operation, the proximal and distal rotary shafts 22 and 26 of the rotary shaft assembly 18 are always kept rotated in a cutting operation in which the rotary shaft assembly 18 is moved up and down.

[0048] Figs. 4-4a and 5-4b illustrate a drill in accordance with a third embodiment of the present invention.

[0049] A distinguishable feature of the drill is that a body 14 is movable up and down relative to a magnetic base 41. In the drill, a body support (BS) is provided on the base to support the body 14 for movement in a vertical direction or an up and down direction and a stationary rack 32 is also fixed to the body support (BS). Thus, in operation, the pinion 34 is rotated to move along the stationary rack 32, whereby the rotary shaft assembly 18 is extended or contracted and the rotary shaft assembly 18 is itself moved up and down.